

ATTACHMENT J.4

PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)

Fiscal Year 2016

Performance Evaluation and Measurement Plan For CH2MHill Plateau Remediation Company

Performance Period:
October 1, 2015, through September 30, 2016

TABLE OF CONTENTS

PERFORMANCE EVALUATION AND MEASUREMENT PLAN DESCRIPTION	J 4-4
PERFORMANCE EVALUATION BOARD ORGANIZATION	J 4-7
FISCAL YEAR 2016 PERFORMANCE BASED INCENTIVES	J 4-8

PLATEAU REMEDIATION CONTRACT PERFORMANCE EVALUATION AND MEASUREMENT PLAN DESCRIPTION

The Performance Evaluation and Measurement Plan (PEMP) details the administration of performance incentives and allocation of Total Available Fee as defined in Section B, Supplies or Services and Prices/Costs. Please note that “PEMP” is synonymous with the term “Award Fee Plan” found in FAR 16.401(e)(3). Performance incentives may be either objective or subjective. The PEMP is the basis for the evaluation of the contractor's performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance and to determine the amount of fee earned. Actual award fee determinations and the methodology for determining fee are unilateral decisions made solely at the discretion of the Government.

1. ORGANIZATION

The award fee organization consists of: the Fee Determining Official (FDO); a Performance Evaluation Board (PEB) which consists of a chairperson, the contracting officer, a recorder, other functional area participants, and advisor members; and the COR.

2. RESPONSIBILITIES

- a. Fee Determining Official. The FDO approves the PEMP and any significant changes. The FDO reviews the recommendation(s) of the PEB, considers all pertinent data, and determines the earned award fee amount for the evaluation period.
- b. Performance Evaluation Board. For the purpose of this PEMP, designated RL senior managers and Contracting Officer are chartered with recommending CHPRC earned fee to the Fee Determining Official. PEB members review COR evaluations of the contractor's performance, consider information from pertinent sources, prepare performance reports, and arrive at an earned fee recommendation. The PEB has the following roles and responsibilities:
 - Accountable for final selection and approval of performance incentives;
 - Responsible to assign performance monitors to evaluate completion of performance measures;
 - Provides input, reviews, and concurs on the PEMP;
 - Responsible for addressing any HQ comments concerning PEMP or Award Fee Determination;
 - Reviews CHPRC performance at the end of the evaluation period and upon completion of key milestones;
 - Evaluates CHPRC performance and recommends earned fee to the FDO.
- c. The CO is the liaison between contractor and Government personnel and shall ensure the incentive process is properly administered in accordance with agency regulations. The CO shall also modify the contract in regards to any contractual issues that may arise during the term of the contract.

- d. The COR maintains written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. Prepare interim and end-of-period evaluation reports as directed by the PEB.

3. PERFORMANCE MEASURES (PM)

Each performance measure will set forth the specific requirements, criteria and/or specifications for acceptable performance of an outcome and the amount of fee assigned to the individual performance measure. A performance measure may be either subjective or objective.

The FY2016 performance measures are found on pages J.4-8 through J.4-25. Subsequent Award Fee Plans will be issued for fiscal years 2017 through 2018.

4. ALLOCATION OF AVAILABLE FEE

DOE may or may not heavily weight the assignment of fee toward meeting production goals such as treatment of waste and end-product goals, such as completion of remediation projects.

5. PERFORMANCE MEASURE FEE STRUCTURE METHODS

Each performance measure may have a distinct fee structure to incentivize maximum performance and resource utilization by the Contractor. Individual performance measures may require the contractor to exceed approved baseline performance to earn 100 percent (%) of the fee allocated to that performance measure. DOE is not limited to the following list of Fee Structure Methods and may combine elements of multiple fee structures. Regardless of the Fee Structure Method used, payment of fee is subject to the fee reduction terms of this Contract, and Fee Determining Official (FDO) approval that the Contractor has achieved the stated outcome for the specific performance measure.

- a. Declining Method: This method provides 100% incremental fee for completion of the performance measure by a specific date and/or milestone, but the percentage is reduced incrementally beyond that event. The specific percentage of reduction and corresponding time or specific milestones triggering the reductions are defined within the performance measure.
- b. Terminal Method: This method provides 100% incremental fee (which will not be awarded until final fee determination), for completion of the performance measure prior to a specific date and/or milestone; however, the Contractor will forfeit 100% of the fee allocated to the performance measure for completion of the performance measure after the passing of the specific date and/or milestone as defined within the performance measure.

- c. Performance Measure Provisional Dependent Method: This method will no longer be used. Provisional Fee, if specifically allowed by the contracting officer, is discussed in Section B, Clause B.8, Fee Determination and Payment.
 - d. Subjective Method: This method provides the Contractor the opportunity to earn up to 100% fee for performance of Contract requirements based on subjective criteria as determined by DOE.
- 6. Contract work requirements by Contract Line Item Number (CLIN) are discussed in Section B, Clause B.2 “Items Being Acquired.” Contract work requirements by CLIN may become fee-bearing via Performance Measures, consistent with Section B, Clause B.7, Fee Structure. Any features of the Offeror’s proposed strategy and approach may be implemented as first- and subsequent-year performance measures.
 - 7. In accordance with the Section B, Clause B.5, Changes to Contract Cost and Contract Fee, if for any reason the Contracting Officer does not authorize work in accordance with the Section B, Clause B.14, DOE Authorization of Work, the Total Available Fee as a percentage of Total Contract Cost by Contract period, excluding non-fee bearing costs identified in the Section B, Clause B.6, Basis for Total Available Fee, may be adjusted.
 - 8. Cost control in work performance is of the utmost importance to the Government. The Contractor's performance within the Contract Cost, as stipulated in Section B, Table B.4-1, Contract Cost and Contract Fee, for the performance evaluation period shall be determined by the Government. To the extent the Contractor fails to complete work within the stipulated Contract Price, the Fee Determining Official may reduce in whole or in part any otherwise earned fee, subject to the limitations of Section B, Clause B.12, DEAR 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts.
 - 9. Payments of Incremental Fee shall be requested in accordance with Section B, Clause B.8, Fee Determination and Payment, paragraph (c).
 - 10. If a Performance Objective is not completed as specified, allocated Available Fee is unavailable in accordance with Section B, Clause B.7, Fee Structure, paragraph (b)(1).
 - 11. Any Government Furnished Services and Information (GFS/I) for Performance Objectives are included in Section J, Attachment J.12, Government Furnished Services and Information (GFS/I).

PERFORMANCE EVALUATION BOARD ORGANIZATION

Fee Determining Official: RL Manager

Performance Evaluation Board Chairperson: Assistant Manager for River and Plateau

Staff:

Deputy Assistant Manager for River and Plateau (Designated as the primary COR)

Federal Project Directors (Designated as CORs)

Procurement Director

Contracting Officer

Contract Specialist

Attorney

FISCAL YEAR 2016 PERFORMANCE BASED INCENTIVES

Introduction:

The purpose of this award fee plan is to specifically account for the available award fee for FY2016 and to identify the associated performance measures (PM). Additional Award Fee Plans shall be issued for fiscal years 2017 through 2018. The award fee plan contains three categories of performance measures:

1. Subjective Performance Measure
2. Objective Performance Measures
3. The Plutonium Finishing Plant (PFP) Multi-Year Performance Measure (PM-11-1-16)

Summary of Available FY2016 Award Fee:

Performance Measure Identifier	Performance Measure Description	FY16 Totals
PM-00-1-16	Subjective Performance Measure.	\$ 2,220,000
PM-00-2-16	Facilitate Initiation of On-Demand Cleanup Scope.	\$ 100,000
Subtotal		\$ 2,320,000
PM-12-1-16	Relocate North Load Out Pit (NLOP) Equipment In T Plant.	\$ 400,000
PM-12-2-16	Receipt of Increments of Sludge Transport and Storage Container (STSC). Production Order (Vessels No. 2-13).	\$ 600,000
PM-12-3-16	Complete Annex Facility CATs and Construction Turnover.	\$ 600,000
PM-12-4-16	Removal Sample Equipment from KW Basin Engineered Containers (EC), Remove Top Two Sections, Install Divider Plate to EC-230 and Install New Lids on the ECs.	\$ 700,000
PM-12-5-16	Add Segregated Settler Material to EC-220.	\$ 150,000
PM-12-6-16	Complete Procurement and Acceptance of First Article STSC Assembly.	\$ 500,000
PM-12-7-16	Complete Fabrication and Acceptance of Balance of Engineered Container Retrieval and Transfer System (ECRTS) Production Hardware Required to Commence Cold Commissioning Testing.	\$ 600,000
PM-12-8-16	Complete Fabrication of the T Plant Equipment for Cell Storage.	\$ 200,000
PM-12-9-16	Complete ECRTS Cold Commissioning Testing at Maintenance and Storage Facility (MASF).	\$ 800,000
PBS 12 Subtotal		\$ 4,550,000
PM-13-1-16	Solid and Liquid Waste Treatment and Disposal: Maintain Efficient, and Compliant Operations and Management Activities.	\$ 900,000
PM-13-2-16	Solid and Liquid Waste Treatment and Disposal; Repackage 280 m3 of Transuranic Mixed Waste (TRUM) or Mixed Low Level Waste (MLLW) Waste.	\$ 800,000
PM-13-3-16	Alternatives Analysis for Additional TRU/Mixed Waste Capability.	\$ 400,000
PM-13-4-16	Environmental and Regulatory Compliance Enhancement.	\$ 200,000
PM-13-5-16	Complete Waste Encapsulation and Storage Facility (WESF) Ventilation and Stabilization Project.	\$ 360,000
PBS 13 Subtotal		\$ 2,660,000

Performance Measure Identifier	Performance Measure Description	FY16 Totals
PM-30-1-16	Sampling and Analysis Plan (SAP) Revision.	\$ 1,625,000
PM-30-2-16	Maximize Plume Containment and Remediation Utilization.	\$ 1,900,000
PM-30-3-16	Legacy Facilities and Equipment Disposition (FY2018 Fee Allocation).	\$ -
PM-30-4-16	Enhancing Capacity at 200W P&T.	\$ 225,000
PM-30-5-16	Complete Stage A 300-FF-5 Uranium Sequestration Injections.	\$ 140,000
PM-30-6-16	Complete 200-BP-5 Treatability Test and Submit Draft A Treatability Test Report.	\$ 30,000
PM-30-7-16	Commence I-129 Hydraulic Containment Operation.	\$ 160,000
PBS 30 Subtotal		\$ 4,080,000
PM-40-1-16	Soil and Facility Remediation/Disposition: Maintain Compliant, Efficient, Minimum Safe Surveillance and Maintenance Services for the Central Plateau.	\$ 200,000
PM-40-2-16	Soil and Facility Remediation/Transfer: Remove Suspect Pu Nitrate Bags in REDOX.	\$ 150,000
PM-40-3-16	Soil and Facility Remediation/Disposition: Complete REDOX Roof Design.	\$ 30,000
PM-40-4-16	Excess Facilities Initiative.	\$ 300,000
PM 40 Subtotal		\$ 680,000
PM-41-1-16	100 K Area: Maintain Efficient, and Compliant Operations and Management Activities as Required to Support River Corridor Remediation.	\$ 100,000
PM-41-2-16	Workscope Transferred from River Corridor Project.	\$ 400,000
PBS 41 Subtotal		\$ 500,000
Total Allocated Fee		\$14,790,000
PM-11-1-16	Demolish PFP Complex Facilities (Multi Year)	See PM
PM-11-2-16	PFP Incentive	See PM

PERFORMANCE MEASURE PM-00-1-16

Allocated Available Fee: \$2,220,000

Objective:

This Performance Measure provides management focus on cost performance. DOE will evaluate the Contractor's cost performance based upon subjective cost performance elements; objective cost performance elements, or both, which includes, but is not limited to:

- An analysis of variances between the Contractor's actual incurred costs and the estimated costs of authorized work (e.g., changed programmatic requirements, changed statutory requirements, and/or changes beyond the Contractor's control);

- An assessment of alignment between the Contractor's performance measurement baseline and the contract;
- Verification of EVMS data;
- Management of risks as demonstrated by how well the Contractor projects, reports and mitigates cost and schedule impacts to authorized work activities;
- Quality and timeliness of key documents submitted (e.g., contract change proposals, regulatory documents);
- Effectiveness of Contractor's Business Systems (e.g., Purchasing, Accounting, Internal Audit, Estimating, Property);
- Balanced Score Card Metrics;
- Corrective Action Management;
- Safe and compliant work execution;
- Integration With Other Hanford Contractors – initiate and provide effective participation in business case analyses and other cross-contractor activities leading to optimal utilization of RL resources (facilities, equipment, material and services) across all Hanford Contractors Performance Measures for subsequent fiscal years will be developed as part of the annual PEMP update to identify specific management/business system performance objectives needed during the remainder of contract period of performance;
- An assessment of the quality of any "plan," "report" or other written document that is part of, or submitted under, any of the performance measures included in this award fee plan, i.e. Performance Measures PM-00-2-16 through PM-41-2-16; and
- Effective contractor human resources management.

Completion Rating Criteria:

The following will be used to rate CHPRC performance against this performance measure: Adjectival Ratings, and the associated Percentage of Allocated Fee Available to be Earned and Performance Level Description are:

- Excellent (91%-100%) Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- Very Good (76%-90%) Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- Good (51%-75%) Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

- Satisfactory (No Greater Than 50%) Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- Unsatisfactory (0%) Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

By the 30th calendar day following the end of the fiscal year, as its input to this Performance Measure, CHPRC shall provide a critical assessment of its progress in safely and compliantly performing contract scope of work and meeting contract deliverables within cost and on schedule as described. CHPRC shall identify issues potentially affecting the completion of contract scope of work and associated objectives within cost and on schedule. CHPRC shall identify actions taken or planned to be taken to resolve those issues. CHPRC's critical self-assessment shall propose and justify the amount of fee earned against this Performance Measure and include a discussion of fee reductions warranted by any achievement or failure to meet performance objectives. In the event the contractor self-discloses an issue potentially affecting the completion of contract scope of work and appropriately self-corrects the situation in a timely manner, fee reduction may be waived by the Fee Determining Official.

PERFORMANCE MEASURE

PM-00-2-16

Allocated Available Fee: \$100,000

Objective:

Facilitate initiation of on-demand cleanup scope as cost underruns are obtained or additional funding is identified.

Completion Criteria:

By December 31, 2015, provide a prioritized list of candidate projects/facility dispositions at approximately \$30,000,000 in cleanup scope and identify what regulatory documentation is necessary to execute those. By September 30, 2016, submit to RL regulatory documents that were authorized by RL in January 2016 for priority projects approved.

PERFORMANCE MEASURE

PM-12-1-16

Allocated Available Fee: \$400,000

Objective:

Disposition of North Load Out Pit (NLOP) Equipment stored in the T Plant canyon by September 30, 2016 to allow access to the canyon cells that will be used to store the Sludge Transport and Storage Containers (STSC) generated by the Sludge Treatment Project (STP).

This work requires completion of a work site assessment, waste characterization, procurement of waste containers and packaging for disposal, removal of vacuum hoses, disconnect and remove electrical systems, removal of conveyors, drum enclosures, and exhausters, size reduce large diameter container (if not retained to support future operations), complete characterization of the buffer tank and initiate preparations for disposal, remove cover blocks, document inventory and replace cover blocks. This all must be complete to allow for receipt of STSCs to support TPA milestone to complete sludge removal from the 105KW Basin.

Completion Criteria:

J-5 work record entry in the applicable facility work package(s) documenting that the associated NLOP Equipment has been moved off the affected T Plant cells.

PERFORMANCE MEASURE PM-12-2-16

Allocated Available Fee: \$600,000

Objective:

Receipt of Sludge Treatment Storage Container (STSC) Production Order (Vessels #2-13) by September 30, 2016. This measures the fabrication and receipt of the Sludge Treatment and Storage Containers (STSC) needed to transfer the sludge from the engineered containers in the 105KW Basin to storage at T-Plant. The STSCs are NQA-1 Safety Significant procurements, therefore have rigorous engineering, procurement, fabrication, quality assurance and associated requirements. The STSCs are key pieces of equipment for the Engineered Container Retrieval and Transfer System (ECRTS), process as they will be used to receive, transport, and store the radioactive sludge from KW Basin.

Completion Criteria:

Submit final source and receipt inspection for shipment (Vessels #2-13) of STSCs from ABW Technologies, Inc. (Contract No: 55309).

PERFORMANCE MEASURE PM-12-3-16

Allocated Available Fee: \$600,000

Objective:

Complete Annex Facility Construction Acceptance Test (CATs) and Construction Turnover by September 30, 2016.

Completion Criteria:

Completed CAT documentation with dispositioned test deficiencies on a defined punchlist. Turnover documentation completed (i.e., Construction Completion Document, form A-6004-929) from General Contractor to CHPRC with defined punchlist.

Note: Final turnover to operations is pending the ECRTS equipment installation.

PERFORMANCE MEASURE

PM-12-4-16

Allocated Available Fee: \$700,000

Objective:

By September 30, 2016, remove sample equipment from KW Basin Engineered Containers (ECs), remove top two sections, install Divider Plate to EC-230, and install new lids on the ECs. Completing this activity is required before installation of the ECRTS equipment in the 105KW Basin. This is a driving activity to completing equipment installation, testing, readiness and start-up to support TPA milestones to start sludge removal from the 105KW Basin.

Completion Criteria:

Document field work completion with entries into the “J-5 work record” for the applicable facility work package(s). The entries will document field work completion for both the removal of sampling equipment from engineered containers (e.g., extraction tubes, camera, etc.), and the removal of the top two ECs’ container sections and installation of new lids.

Note: Restoration, clean-up or waste disposal is not applicable to this completion criteria.

PERFORMANCE MEASURE

PM-12-5-16

Allocated Available Fee: \$150,000

Objective:

Add Segregated Settler Material to EC-220 by September 30, 2016. This activity will be performed underwater in the K West Basin. The material is radioactive material that needs to be added to an engineered container that will allow disposition of the settler tube material during the sludge removal process. This work supports the TPA milestone to complete sludge removal from the 105KW Basin.

Completion Criteria:

Document field work completion with entries into the “J-5 work record” for applicable facility work package(s).

PERFORMANCE MEASURE PM-12-6-16

Allocated Available Fee: \$500,000

Objective:

Complete Procurement and Acceptance of First Article STSC Assembly (Vessel plus fully functional appurtenances) by September 30, 2016.

Completion Criteria:

Submit final source and receipt inspection for the first article STSC Assembly.

PERFORMANCE MEASURE PM-12-7-16

Allocated Available Fee: \$600,000

Objective:

By September 30, 2016, complete fabrication and acceptance of balance of ECRTS production hardware required to commence Cold Commissioning testing.

Completion Criteria:

Submit receipt and final source and receipt inspection for the ECRTS Production Hardware required to commence Cold Commissioning at MASF. (The following equipment is included – XAGO Retrieval Tool and XAGO Pump Skid, HydroLance Deployment Beam, Retrieval System Hoses, Booster Pump Skid, In-Basin Rupture Disk Skid, Ingress/Egress Assembly, Transfer Line Service Box, Safety Control Panels, First Article STSC Assembly with Instrumentation and Overfill Recovery Tool, and Oxygen Analyzer.)

PERFORMANCE MEASURE PM-12-8-16

Allocated Available Fee: \$200,000

Objective:

Complete fabrication of the equipment that will be installed in the T Plant canyon cells to allow receipt and storage of the sludge transport and storage containers (STSC), (i.e. leveling frames, containment system, leak detectors) by September 30, 2016.

Completion Criteria:

Completion of this activity will be demonstrated by Quality Assurance Inspection Plans (QAIP) documenting CHPRC material receipts.

PERFORMANCE MEASURE PM-12-9-16

Allocated Available Fee: \$800,000

Objective:

Complete ECRTS Cold Commissioning testing at MASF by September 30, 2016.

Completion Criteria:

Completed MASF pre-operational acceptance testing (MPAT) procedure with test deficiencies on a defined punchlist (establish punchlist of dispositioned MPAT test deficiency reports [TDRs]).

PERFORMANCE MEASURE PM-13-1-16

Allocated Available Fee: \$900,000

Objective:

Solid and Liquid Waste Treatment and Disposal: Maintain efficient, and compliant operations and management activities as required to support plateau remediation.

Completion Criteria:

By September 30, 2016, the Contractor shall complete a total of 1,030 preventative maintenance activities for assigned facilities. The preventive maintenance activities reflected in the PM are the known, planned activities to keep the project in a safe, compliant condition.

PERFORMANCE MEASURE PM-13-2-16

Allocated Available Fee: \$800,000

Objective:

Solid and Liquid Waste Treatment and Disposal: By September 30, 2016, repackage 280 m³ of TRU mixed waste (TRUM) or mixed low level waste (MLLW).

Completion Criteria:

The Contractor shall repackage 280 m³ of TRUM or MLLW waste as follows:

- Volume is based on the volume of the container prior to repackaging.
- TRUM waste will be repackaged into WIPP acceptable/certifiable packages, 55 gallon drums and Standard Waste Boxes.

- TRUM waste will be repackaged to meet current WIPP acceptance criteria and HNF-EP-0063, Hanford Site Solid Waste Acceptance Criteria.
- MLLW will be treated and packaged as required to meet waste acceptance criteria for disposal.

PERFORMANCE MEASURE PM-13-3-16

Allocated Available Fee: \$400,000

Objective:

Alternatives Analysis Study for TRUM waste disposition, (e.g., additional capabilities, facilities, etc.).

Completion Criteria:

Completion of TPA Milestone M-091-51 by September 30, 2016.

PERFORMANCE MEASURE PM-13-4-16

Allocated Available Fee: \$200,000

Objective:

Environmental and regulatory compliance enhancement related to waste management facilities.

Completion Criteria:

Complete the following waste management actions to improve Environmental and Regulatory Compliance:

- Reconciling the waste information data and label updates for 750 drums in above ground storage
- Benchmark RCRA inspection sheets and establish consistent format within the Solid Waste facilities via a documented report
- Evaluate and issue procedure for an automated RCRA checklist and inspection system for the Central Waste Complex

In addition, perform an effectiveness review of completed actions as of September 30, 2016 and provide a letter report to RL.

PERFORMANCE MEASURE PM-13-5-16

Allocated Available Fee: \$360,000

Objective:

Complete Waste Encapsulation and Storage Facility (WESF) ventilation and stabilization project.

Completion Criteria:

By September 30, 2016, contractor will have implemented the Final Design Report (W-130 WESF Ventilation and Stabilization Project, CHPRC-02388).

PERFORMANCE MEASURE PM-30-1-16 (Multi-Year)

Allocated Available Fee for FY16: \$1,625,000

Introduction:

This multi-year performance incentive (PI) was effective in FY2014 (identified as no. PM-30-18.1), with fee allocated as “available” across FY2014 to FY2016 for convenience. Since this is a multi-year incentive, final fee determination will be made in the fiscal year in which the PI is completed successfully, which could be as early as FY2015 or as late as FY2018. Accordingly, provisional fee payments for this PI are not contemplated in order to conform to the requirement of Section B, clause B.8(b) “Fee Determination and Payment.”

Objective:

Sampling and Analysis Plan (SAP) Revision. The objective of this Performance Measure is to consolidate and optimize SAPs by the end of the contract option period. There are also milestone requirements for the current fiscal year (see notes in Completion Criteria section below). The Contractor will be awarded 100% of the fee amount (\$6,750,000) for successful completion by the end of FY2016. Fee is reduced by 10% for each year this Performance Measure is completed after FY2016, and reduces to zero (\$0) fee if it is not completed by the end of FY2018.

This multi-year performance incentive began in FY2014. As demonstrated by the following table, maximum fee \$6,750,000 is earned for completion by September 30, 2016; fee is reduced to \$6,075,000 for completion by September 30, 2017, fee is reduced to \$5,400,000 for completion by September 30, 2018, and fee is reduced to zero if the incentive is not completed by September 30, 2018.

	FY2014	FY2015	FY2016	FY2017	FY2018	Failure to Complete
Available	\$3,500,000	\$1,625,000	\$1,625,000			
Cumulative	\$3,500,000	\$5,125,000	\$6,750,000	\$6,075,000	\$5,400,000	\$0

Note: RL will assess the effectiveness of the measure in reducing cost of groundwater monitoring and consider including specific metrics for follow-on years to better quantify cost savings expectations.

Completion Criteria (PM-30-1):

Obtain DOE approval of the SAP. The draft SAP is approved by DOE for submittal to the regulators or DOE concurs no changes are necessary.

Issue the plan and revise the SAPs per the approved plan (complete in FY2014).

Complete revisions of all Groundwater SAPs per the approved FY2014 SAP Revision Plan by the end of FY 2016.

PERFORMANCE MEASURE

PM-30-2-16

Allocated Available: \$1,900,000

Objective:

Maximize plume containment and remediation utilization.

- Fiscal Year Contamination removal
- Full treatment capacity utilization
- Remediation optimization

Completion Criteria:

Performance will be evaluated based upon the latest version of the DOE approved plume containment and remediation utilization plan. By September 30th of each fiscal year, provide documentation substantiating completion of the plume containment and remediation utilization action plan activities that are funded. Submit a draft plan by June 10th of each fiscal year that provides similar technical basis as above to maximize plume containment and remediation utilization.

PERFORMANCE MEASURE PM-30-3-16 (Multi-Year)

Allocated Available Fee: \$625,000 is allocated to the FY2018 fee pool. This amount may be earned in an earlier period if the Contractor meets the completion criteria.

Objective:

Legacy Facilities Equipment Disposition.

Completion Criteria:

Complete disposition of the Groundwater legacy buildings and ancillary equipment as outlined in the approved plan with the exception of the following items that are either not in CHPRC scope or are impacted by events outside CHPRC control:

- Connex box number CC60548,
- Connex box number CC60549,
- Connex box number TC1301NB,
- The 100-NR-2 Pump & Treat Operations Trailer,
- The 100-NR-2 Pump & Treat System,
- 216ZP1, Main Process Facility, 200-ZP-1,
- 216ZP1A, Injection Manifold Building,
- 216ZP1B, Extraction Manifold Building,
- 216ZP1C, Extraction Manifold Building, and
- IFRC (PNNL property).

PERFORMANCE MEASURE PM-30-4-16

Allocated Available Fee: \$225,000

Objective:

Install additional MBR cassettes at 200W P&T.

Completion Criteria:

By August 31, 2016, procure and install six new cassettes into one MBR unit and install one used cassette into each of the remaining MBR units, at the 200 West (200W) Pump and Treat (P&T) Facility, and perform the acceptance testing with the new MBR configuration. By September 30, 2016, operate the facility for 30 days with the new MBR configuration.

PERFORMANCE MEASURE PM-30-5-16

Allocated Available Fee: \$140,000

Objective:

Complete Stage A 300-FF-5 uranium sequestration injections by March 31, 2016.

Completion Criteria:

By March 31, 2016, complete the Stage A 300-FF-5 uranium sequestration injections. Provide technical memo documenting completion of injections with supporting documentation from log book and field data sheets.

PERFORMANCE MEASURE PM-30-6-16

Allocated Available Fee: \$30,000

Objective:

Complete 200-BP-5 Treatability Test and submit Draft A Treatability Test Report.

Completion Criteria:

Complete 200-BP-5 Treatability Test and submit Draft A Treatability Test Report to DOE-RL by June 30, 2016.

PERFORMANCE MEASURE PM-30-7-16

Allocated Available Fee: \$160,000

Objective:

Commence I-129 hydraulic containment operation by March 31, 2016.

Completion Criteria:

Install hydraulic containment system and perform the operational test procedure. Meet TPA Milestone M-016-191 (due date March 31, 2016).

PERFORMANCE MEASURE PM-40-1-16

Allocated Available Fee: \$200,000

Objective:

Soil and Facility Remediation/Disposition: Maintain compliant, efficient, minimum safe surveillance and maintenance services for the Central Plateau.

Completion Criteria:

By September 30, 2016, the Contractor shall complete 355 Preventive maintenance activities for assigned facilities. The preventive maintenance activities reflected herein are known, and are planned in order to keep the project in a safe, compliant condition.

PERFORMANCE MEASURE PM-40-2-16

Allocated Available Fee: \$150,000

Objective:

Soil and Facility Remediation/Transfer: Remove 2 Suspect Pu Nitrate bags in REDOX.

Completion Criteria:

By September 30, 2016, the Contractor shall complete removal and transfer of 2 suspect Pu Nitrate bags in the REDOX facility. Waste will either be packaged to meet waste acceptance criteria, shipped to a TSD, or placed in a compliant, secure configuration.

PERFORMANCE MEASURE PM-40-3-16

Allocated Available Fee: \$30,000

Objective:

Soil and Facility Remediation/Disposition: Complete REDOX roof design. The REDOX roof replacement is high priority. The roof has been patched in prior years and water intrusion continues due to the degrading facility. Roof replacement is a more permanent solution to the continued water intrusion experienced in this highly contaminated canyon facility. Note that long term surveillance and maintenance will continue because REDOX disposition is not planned within the next 20 years.

Completion Criteria:

By June 30, 2016, the Contractor shall complete detailed design for repair/replacement of the REDOX roof, and shall issue the Final Detailed Design Report.

PERFORMANCE MEASURE PM-40-4-16

Allocated Available Fee: \$300,000

Objective:

Demolish and dispose of REDOX ancillary buildings: 2710S, 2718S, and 2711S, per the issued General Hanford Site Decommissioning Activities EE/CA Action Memorandum and the approved Removal Action Work Plan (RAWP) or equivalent by September 30, 2016.

Completion Criteria:

By September 30, 2016, General Hanford Site Decommissioning Activities Action Memorandum/RAWP, or equivalent Removal Action Goals have been met; verification completion packages have been entered into the AR; Construction Completion Report (or equivalent) will be accepted/approved by DOE-RL.

PERFORMANCE MEASURE PM-41-1-16

Allocated Available Fee: \$100,000

Objective:

100 K Area: Maintain efficient and compliant operations and management activities as required to support river corridor remediation.

Completion Criteria:

By September 30, 2016, the Contractor shall conduct at least 228 Waste Information Data System site surveillances and Radcon surveys of assigned facilities during FY2016. The number of site surveillances and Radcon surveys reflected herein are known, and are planned in order to keep the project in a safe, compliant condition.

PERFORMANCE MEASURE PM-41-2-16

Allocated Available Fee: \$400,000

Objective:

Transfer and incorporate River Corridor Contract Project (RCC) work scope into the Plateau Remediation Contract (PRC). Contractor shall submit transition plans by April 1, 2015 identifying the work to be transitioned, based on the direction provided by RL. At a minimum, the Contractor will transition the following scope into the PRC:

324 building (Hazard Category 2 nuclear facility),
618-10 Burial Ground remediation (Also Hazard Category 2 nuclear facility), and
Operation of ERDF, Hanford's CERCLA disposal facility.

Completion Criteria:

Prepare and submit transition plan(s) within the timeframe identified in the Objective, perform extent of conditions reviews and transition River Corridor Project Scope into PRC as defined by RL. The contractor shall complete transfer of scope by September 30, 2016.

PERFORMANCE MEASURE PM-11-1-16

PLUTONIUM FINISHING PLANT (PFP) MULTI-YEAR PERFORMANCE MEASURE (Identified as PM-11-02.1A in the Base Period PEMP)

Introduction:

The base period Performance Evaluation Measurement Plans were published in multiple year formats, while this FY2016 PEMP is written for one year only. Accordingly, since the PFP incentive is effective during both the base and option periods of performance, it will be included in the PEMP for each fiscal year of the option period. This FY2016 PEMP does not change incentive no. PM-11-02.1A that was published in Mod 249 dated November 30, 2012, nor does it change the modification of provisional fee that was addressed in letter no. 13-AMRP-0227 dated June 24, 2013.

Note that RL allocated the available fee (\$51,057,421) across the first five years of the contract for convenience (see Section B, Table B.4-1). The fee is available until the incentive ends. Note that Mod 249 changed the maximum earning date to September 30, 2014.

Allocated Available Fee: \$51,057,421

Objective:

Demolish Plutonium Finishing Plant (PFP) Complex Facilities to Slab-On-Grade and Stabilize the Site for Surveillance and Maintenance.

Complete demolition of PFP facilities to slab-on-grade and stabilize the site for surveillance and maintenance. Fee is reduced in a linear declining method from \$51,057,421 to \$43,450,000 for each day from January 9, 2015 to June 30, 2016; and fee is then reduced in a linear declining method from \$43,350,000 to \$30,000,000 for each day from June 30, 2016 to May 31, 2018; and finally fee is reduced in a linear declining method from \$30,000,000 to \$12,000,000 for each day from May 31, 2018 to September 30, 2018.

The linear declining method is defined in the following table:

	Date	Available Fee	Fee Reduction	Days	Reduction/Day
Start of Curve (after 100 day adj)	1/9/2015	\$51,057,421			
			\$ (7,607,421)	538	\$ (14,140)
Step 1 of Curve	6/30/2016	\$43,450,000			
			\$(13,450,000)	700	\$ (19,214)
Step 2 of Curve	5/31/2018	\$30,000,000			
			\$(18,000,000)	122	\$(147,541)
End of Curve	9/30/2018	\$12,000,000			

Any portion of Provisional Fee, as defined by Clause B.7, Fee Structure, paragraph (b)(3), may become earned through a final fee determination as defined by Clause B.8, Fee Determination and Payment, paragraph (d). Conversion of fee from Provisional to earned is at the unilateral discretion of the Fee Determining Official. On an annual basis no more than \$3,000,000 in Provisional Fee may be converted to earned fee at the final fee determination., as defined by Clause B.8, Fee Determination and Payment, paragraph (d). Allocated Available Fee not earned at the end of the multi-year performance period is unavailable in accordance with Clause B.7, Fee Structure, paragraph (b)(2).

Completion Criteria (PM-11-1-16):

- Complete execution of Alternative 4 in approved EECA DOE/RL/2005-13.
- Achieve the PFP Complex slab-on-grade end point criteria in HNF-22401.
- Handle, package, label, store, and ship waste (e.g., low-level, low-level mixed, TRU/TRU mixed wastes) out of the PFP facilities for treatment or disposal. Waste shipments completed in accordance with the Hanford waste shipping criteria, other waste site criteria, and in compliance with applicable state and federal regulations for treatment and disposal at an approved facility.
- Complete turnover of the PFP site for surveillance and maintenance.

Note: See Modification 313, dated January 30, 2014, for the distribution of the available fee (\$51,057,421) among the provisional installments for disposition of systems, equipment and facilities.

PERFORMANCE MEASURE PM-11-2-16

PLUTONIUM FINISHING PLANT (PFP) SCHEDULE INCENTIVE FEE ASSOCIATED WITH MEETING TRI-PARTY AGREEMENT MILESTONE

This fee incentive is intended to motivate the contractor and increase the probability of meeting the September 30, 2016, Tri Party Agreement Milestone “PFP to Slab on Grade.” The funding for this incentive will come from the savings associated with each month of project acceleration prior to October 2016.

Variable Available Fee: From \$2,338,911 to \$1,461,519, then dropping to \$0;

Objective:

Completion of demolition of PFP facilities to slab-on-grade, combined with stabilizing the site for surveillance and maintenance by June 30, 2016, (i.e. “Project completion”): Earn \$2,338,911. If project completion occurs before July 1, 2016, the contractor will earn \$2,338,911 under this performance measure. Fee is reduced in a linear declining method from \$2,338,911 to 1,461,519 for each day from June 30, 2016, to September 30, 2016. If project completion occurs after September 30, 2016, this incentive is no longer operative and no fee will be paid hereunder.

Completion Criteria (Same criteria as shown in PM-11-1):

- Complete execution of Alternative 4 in approved EECA DOE/RL/2005-13.
- Achieve the PFP Complex slab-on-grade end point criteria in HNF-22401.
- Handle, package, label, store, and ship waste (e.g., low-level, low-level mixed, TRU/TRU mixed wastes) out of the PFP facilities for treatment or disposal. Waste shipments completed in accordance with the Hanford waste shipping criteria, other waste site criteria, and in compliance with applicable state and federal regulations for treatment and disposal at an approved facility.
- Complete turnover of the PFP site for surveillance and maintenance.